the years 1929—1931 is attributable chiefly to the cessation of Russo-German goods transit through Lithuania which-as described later-since 1931 has been entirely suspended, and to whose credit, thanks to the intersection of the entire territory of the country in earlier years, the higher number of ton-kilometres must be laid. The rise of inland navigation on the Nemunas (see below) and the extension of motor-lorry traffic may also have played a definite rôle. The number of registered motor-lorries, especially in 1937, has appreciably risen, as we can see from the following data:

1929	1931	1935	1936	1937
309	431	322	393	564

The appended table illustrates the most important commodities of railway goods transport and the development of their share in recent years:

Railway Goods Transport (in 1 000 tons).

	1929	1931	1935	1936	1937
Timber	609.7	620.5	447.1	459.7	639.2
Grain	198.4	139.2	295.2	250.2	81.5
Animals and Poultry	29.9	42.2	147.2	180.0	185.5
Sugar-beets	—	57.9	110.1	125.1	123.9
Fertilizers	139.9	113.7	100.3	109.3	130.5
Coal	115.0	116.2	108.8	105.9	153.1
Bricks & Clay Products	57.3	160.6	75.2	75.3	102.3
Cement	50.0	71.8	48.4	57.5	76.4
Molasses	—	—	24.6	53.4	55.2
Naphtha Products	42.1	47.5	41.8	43.6	45.5

The apportionment of goods transport among separate railway stations shows an extremely characteristic development:

Goods Transport of the Most Important Railway Stations (in 1 000 tons).

	1929	1931	1935	1936	1937
Memel	473.1	611.5	795.3	831.6	823.3
Kaunas	419.2	492.3	401.8	452.3	513.8
Obeliai	425.4	611.8	260.8	224.9	213.8
Joniškis	149.7	116.6	152.5	139.9	213.0
Pagėgiai	594.5	435.4	119.8	119.4	218.3
Virbalis	274.5	212.6	45.4	69.5	88.7

The recession of the goods turnover of both Lithuanian-German frontier stations, Pagėgiai and Virbalis, in 1935 and 1936, reflects first of all the shrinkage shown in the previous chapter of our foreign trade communication with Germany. Since the normalization of Lithuanian-German commercial relations a revival tendency in the turnover was observable in 1937. Above all, however, we see in the foregoing table the tremendous advance of transport to and from Memel, which is due to the ever-increasing importance of that port in our economic life. The importance of our new line of communication, Telšiai - Kretinga, which was opened in 1932, has already been pointed out. The building of this line, as also the introduction of the reduced goods transport tariff in traffic to and from the port of Memel, whereby a more favourable differential rate was granted, has to a great extent contributed to the increase of railway goods transport via Memel during recent years.

The decline of goods transport via Obeliai, the Lithuanian-Latvian frontier station, over which formerly goods transit between Germany and Russia developed, is to be ascribed to the suspension of transit from Germany via Lithuania since 1931.

2. Memel Port Traffic.

The importance of the port of Memel for Lithuania's economic life appears from the fact that, according to the data of the Customs Statistics, in 1937 via Memel 75.5% of our export trade and 68.2% of our import trade were conveyed.

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5. Goods Transit.

● 489 By virtue of her geographical position Lithuania is destined to be a transit country. Owing, however, to special political relations, our transit traffic could not heretofore be developed to the fullest extent, and has also been subject to big fluctuations.

The following table shows the development of our goods transit traffic during the last ten years:

Goods Transit Traffic on Railways and Waterways from 1928—37, in Tons.

Year	Total Quantity	On Railways	On Waterways	To Germany	From Germany
1928	280 839	.	.	.	199 395
1929	431 384	.	.	235 718	208 702
1930	431 297	362 130	69 254	257 632	176 203
1931	345 205	343 980	1 225	226 086	118 942
1932	195 501	13 969	181 532	177 573	18 075
1933	191 627	56 751	134 876	184 948	5 986
1934	263 279	70 494	192 785	231 062	2 722
1935	185 735	50 208	135 526	182 882	1 982
1936	295 534	55 387	240 147	291 935	2 757
1937	308 177	129 225	178 952	305 787	2 241

On the basis of the foregoing data we may reach the following conclusions:

1. Our transit traffic, owing to the erstwhile closing of the frontier with Poland, has developed only in two opposite directions, viz.,

A. As transit for German goods to Latvia, the U. S. S. R., and other Eastern countries;

B. As transit for Latvian, Russian, and other goods to Germany.

The transit traffic of the first category, that is, the transit from Germany, has, however, since 1933 almost entirely ceased, so that to-day 99% of the goods transit falls to transit to Germany. The cessation of the transit traffic from Germany has, it goes without saying, resulted in a sharp curtailment of

the total volume of our goods transit which, however, during the last two years has again displayed a rising tendency. 489

2. Until 1931 our transit traffic had developed mainly on the railways, whereas water traffic was inconsiderable. Since 1932 this relation has diametrically changed, and for the first time in 1937 railway transit again grew somewhat more rapidly without, however, being able to reach the scope of goods transit on the waterways.

According to countries of origin our goods transit traffic has proceeded as under (in tons):

	1933	1934	1935	1936	1937
Transit to and from Latvia	38 000	63 068	45 624	50 958	126 736
Of which on Railways	38 000	63 068	45 620	50 958	126 716
U. S. S. R.	116 131	170 924	105 500	216 577	37 748
Of which on Railways	103 594	166 405	103 361	216 114	37 624
Other Countries	37 496	29 286	34 610	27 998	143 694
Of which on waterways	31 282	26 380	32 162	24 033	141 308

These figures show that the total transit from Latvia takes place on the railways and that Latvia's share in the total volume of our goods transit by rail has grown rapidly in recent years. In 1933 it amounted to 66.9%; in 1937 it was already 98.1% of our transit traffic on the railways of the consignments from Latvia.

The transit traffic from other countries has accordingly developed preeminently on the waterways, i. e. principally on the Tilsit - Ragnit line. Until 1936 Russia had the largest share in this goods transit, while among other unspecified countries the most considerable part fell to Sweden. In 1937 in connexion with the curtailment of Russian pulp wood deliveries to Germany, Russian transit has receded, and the first place has been taken by Finland. The allocation of our transit on sea and river ways among separate countries appeared as follows in 1937:

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From	Finland	109 658	tons	or 61.3%
„	U. S. S. R.	37 624	„	„ 21.0%
„	Sweden	31 646	„	„ 17.7%

As regards the internal structure of goods transit through our country, pulp wood constitutes the most important item, claiming as it does on an average 80% of both the railway and waterways transit. Of the remaining goods, fertilizers play an important rôle in railway transit, and in transit on the waterways limestone from Sweden. The remaining consignments are inconsiderable.

It is as yet difficult to judge how the resumption of traffic with Poland will affect water transit, but possibilities of expansion of transit, especially on the riverways, are undoubtedly available.